



South Central Waterfront Advisory Board

DATE

RE: Development Corporation for the South Central Waterfront

To Mayor and City Council:

The South Central Waterfront district, comprised of 35 properties, across from downtown Austin, is on the brink of wholesale redevelopment. The South Central Waterfront Vision Framework Plan (SCW Plan), adopted by Council in 2016, sets a path to leverage redevelopment to retrofit approximately 20 new acres of public realm (parks and open spaces, trails, green streets, and public plazas) across the district, and to create hundreds of units of affordable housing. The bulk of these community benefits – new public realm and affordable housing – will be built on private properties. To realize the community benefits in the vision, the SCW Plan calls for the City to develop and adopt key implementation tools so that the City can facilitate and support creative public/private partnerships. Foremost, among these critical items is the establishment of an economic development entity (e.g., local government corporation).

As stated in the 2016 SCW Plan, an economic development entity is necessary “... to assist the execution of both public and private projects within the district. This development corporation could facilitate and advocate for necessary public approvals, champion city-building infrastructure to support development, and package a range of incentives and funding tools necessary to achieve the aspirations of the South Central Waterfront Vision. ... Upon adoption of the [South Central Waterfront] Plan, the City should take the necessary steps to research the feasibility and potential of structuring a South Central Waterfront Development Corporation. Recommendations and an ordinance should be returned for City Council consideration as soon as possible.”

The Economic Development Department (EDD) submitted a Report to Council on May 29, 2019, in response to Council resolutions (20141211-122 and 20170216-040, which called for “specific proposals on creating an entity that could support development of affordable housing, redevelopment, revitalization and other priority projects and goals of the City” and “also capable of structuring public-private partnerships.” The EDD Report identified two regulatory approaches – a development corporation, and a local government corporation – that could be viable for Austin. The Report concluded that, should Council instruct the City Manager to pursue the creation of an entity, the EDD, with consultant assistance and 12-months’ time, could “deliver an implementation plan, which could include a proposed agency program of work and governance structure informed by stakeholders.”

The recent unveiling of the proposal for the Statesman property and the redevelopment teams expressed intention to file an amendment to the existing site’s Planned Unit Development (PUD) – since the City has not established an alternative path for developers to pursue the SCW Plan – highlights the gap in the City’s implementation of this plan. While the SCWAB has not taken an official position on EDD’s recommendation for further study of a global approach to economic development corporations for the city as a whole, the critical timeline for the SCW should be taken into account. Should Council

decide to act on EDD's recommendation for further studies, the SCWAB recommends that this board and city staff charged with implementation of the SCW Plan be involved with this work. Further, the SCWAB recommends that the City pursue the creation of an economic development entity or other governance structure, specific to the South Central Waterfront area, within three to six months. This timeline will ensure that such an entity is ready to address the immediate opportunities and rapidly changing landscape in the South Central Waterfront.

Sincerely,

Samuel Franco,
Chair, South Central Waterfront Advisory Board